



Minutes of DMAFB Alternative Energy Solutions Task Force Meeting

Date of Meeting: May 10, 2007

The Davis Monthan Air Force Base Alternative Energy Solutions (DMAFB AES) Task Force met in regular session in the Tucson Parks and Recreation Mesquite Room at 900 S. Randolph Way, Tucson, Arizona, on Thursday, May 10, 2007.

1. ROLL CALL

Valerie Rauluk, the chair called the meeting to order at 8:02 a.m. and upon roll call, those present were:

Members present: Steve Anderson, Roger Watson, Randy Smith, Art Fregoso, Sally Gestautas, Valerie Rauluk, Sue Keith, Mike Toriello, Glenn Schrader, Mike Block, and Joan Lionetti

Members absent: Ursula Kramer (Excused)
Paul Huddy (Excused)

Guests/Staff Present: Margaret Bowman, Bob Carranza, Damian Rueda (Davis Monthan)
Denise Kendle, Byron Howard, Doug Crockett, Norma Stevens, David Bell, Maximiliano Torres, Chris Avery (City of Tucson)
Tamarack Little, Wilson Hughes
B.J. Cordova, (Tucson Clean & Beautiful)
Melvin Cooper, Justin Cummins, Andrew Nicholas, Martin Reed (Waste 2 Energy)
Jim Witcher (Witcher and Associates, Las Cruces, NM)

2. REVIEW OF MINUTES (ACTION)

MOTION was made by Roger Watson and seconded by Joan Lionetti to adopt the minutes of April 12. The Motion was unanimously adopted.

3. ADMINISTRATIVE

a. Announcements

There were none

b. Chairing vs. Advocacy

Valerie Rauluk explained the difference between chairing and advocacy and presented a policy that when the chair or co-chair moves to a position statement, the other takes over chairing the meeting.

4. NEW BUSINESS

a. DMAF Base land lease with the City of Tucson

Chris Avery, City Attorney's office, explained the lease the City has with Davis Monthan. The original lease dates back to 1953 and has seen many amendments since then. A portion of the 4,200 acres included in the lease was used as the Poorman

Gunnery Range in the 1940s. Just how much land is available for an alternative energy location is unclear. Avery explained that the air base has reacted positively to consensus-based decisions with the City.

b. Organic Fusion Process presentation by Waste 2 Energy

The four representatives from the University of Arizona--Melvin Cooper, Justin Cummins, Andrew Nicholas, and Martin Reed--introduced a zero waste concept processing waste and raw sewage in a closed system; thus no emissions, smoke or odor. The end product is a crude oil-based product.

c. Geothermal Presentation by Jim Witcher, Witcher and Associates, Las Cruces, NM

Mr. Witcher explained the principal behind geothermal and how it can be used to produce energy and be applied to a variety of technologies. He first gave a background on the concept and presented both the pros and cons of developing this energy source. Three possible drawbacks for developing geothermal in Arizona are 1) deep basins, 2) uses water, and 3) inefficient during the hot summer.

d. Financing for Renewable Energy

Chair Valerie Rauluk explained how this concept is a relatively new activity with a great deal of variability in terms of price. The primary financing choice is federal tax credits. Currently at 10% they are set to rise to 30% effective January 1, 2006, set to expire in 2008 and likely to be extended for another 10 years. Other financing mechanisms include the sale of renewable energy credits ("REC's"), reduced purchases from the utility, collateralized debt financing, and equity financing (refer to handout entitled **Renewable Energy Project Financing**, *Venture Catalyst Inc. May, 2007*). Sally Gestautas added the need exists to evaluate and possibly broaden the criteria, identify financing and adjust the financing available to meet the expanded criteria.

e. Cost of Technologies

Val Rauluk finished by distributing another handout, "Cost of Alternative Energy Technologies & Strategies," explaining that stakeholders determine the rates in all the various technologies. For example, those involved have participated in numerous meetings in order to get an assessment (what's the required price for the various technologies in order to bring them into parity with fossil fuel prices?).

f. Working Groups Plan of Action

Bob Carranza (DM), Doug Crockett (COT), and Glenn Schrader (University of Arizona), as part of the Technical Working Group, will look at the possibility of direct geothermal versus electric conversion as an option. Direct geothermal covers and encompasses heat pumps and would be eligible for REQ purchase. Gestautas asked that DM's current energy conservation and renewable energy projects (types of projects, energy savings, etc.) be presented to the task force.

5. OLD BUSINESS

a. Criteria for evaluation

There needs to be more input from the task force, not just under the health and safety columns, but all the categories. Each member is asked to compile his or her comments and send to Norma Stevens, secretary, who will forward on to the chair and co-chair.

Only then can this criteria tool be completed. Regarding solar, it is recommended that only the two categories (solar electric and solar thermal) be considered.

b. Follow-up on Speaker Assignments/Action Items

Bob Carranza, DM, reported that he is waiting for confirmation from the Juniper Group. This group acts as an independent consortium, researching organizations that gather data on current trends in alternative energy.

Valerie Rauluk will continue to work on obtaining a waste to energy presenter.

c. Waste to Energy briefing

Valerie Rauluk indicated that the Metropolitan Energy Commission (MEC) is interested in helping fund the public presentation on waste to energy. She will go to the MEC next week with the proposal to see what support they can provide. Rauluk reminded the group that the MEC would contract with the consultant separately (once confirmation is received), funding the public portion of the presentation. Requests must be received by the third Thursday of June as funding ends June 30th. This would serve as a joint project between DM and the City.

6. CALL TO THE AUDIENCE

No one spoke.

7. AGENDA ITEMS FOR NEXT MEETING

Solar presentation

Current projects occurring at Davis Monthan

Finalizing the criteria tool

Meeting adjourned at 9:59 a.m.

Attachments: DMAFB Supplemental Agreement No. 5 and

Map (Attachment B)

Waste 2 Energy Summary Sheet

Health, Safety and Security Criteria Sheet

Cost of Alternative Energy Technologies & Strategies, May 2007

Renewable Energy Project Financing, May 2007

UCPP Working Group – Conforming Project Incentive Matrix